



Investor & Analyst Seminar

2010



Paul Moody

Chief Executive





Group EBIT Margin Guidance

**GB/Int'l
Revenue
CAGR of 6%**

**Clear top-line
future growth
drivers**

**Britvic
Ireland**

**Market recovery
in the medium
term**

**New Group
EBIT margin
guidance**

**Average of 50bp
growth p.a. to
2013**



A Platform For Growth

Market volume growth: 2-3%

Significant distribution opportunities

A proven contribution from innovation

ARP up at least 1%



Agenda

Paul Moody

Soft Drinks Report 2010 review

Martin Rose

Driving EBIT Margin

Simon Stewart

Category Leadership & 2010 Innovation

Murray Harris

Winning In Trade

Jonathan Gatward & Simon Stewart

Brand Activity 2010

Q & A



Britvic Soft Drinks Report 2010



- Market value rose 2% to £8.5bn
- Take-home channel grew both volume and value growth
- On-premise returned to value growth

Further Growth In Take Home



- Carbonates grew during 2009
 - Cola value was up 4%
 - Fruit flavoured carbonates grew by 4%, a turnaround from the decline of recent years
 - Lemonade and non-fruit also saw value growth
- Squash grew value by of 7%
 - Volume down due to move to “double-concentrate” by private-label. Like-for-like, volumes were up on 2008
- Pure juice continued to decline, with value down 4%



A Return To Growth In On-Premise



- On-premise saw value growth of 3%, with volumes down 1%
 - Carbonates, led by cola, were the driver of the value growth
 - Juice drinks saw value decline by 2% and volume by 4%
- Managed retail led the growth in licensed with value up 6%
- Horeca (Hotels, restaurants & cafes) declined by 3%
 - Fast food outlets grew value by 12%
 - Hotels down 10%



MARTIN ROSE

Driving EBIT Margin





Agenda

Supporting *The Growth Agenda*

Delivering *Margin Improvement*

The Value *Of Our Group Supply Chain*

Our Focus *On Corporate Responsibility*

OPERATING LEVERAGE





Supply Chain Vision

GROWTH

Deliver outstanding products & services
that delight our customers & consumers

PRODUCTIVITY

Optimise the cost base
in order to **drive the operating-profit margin**

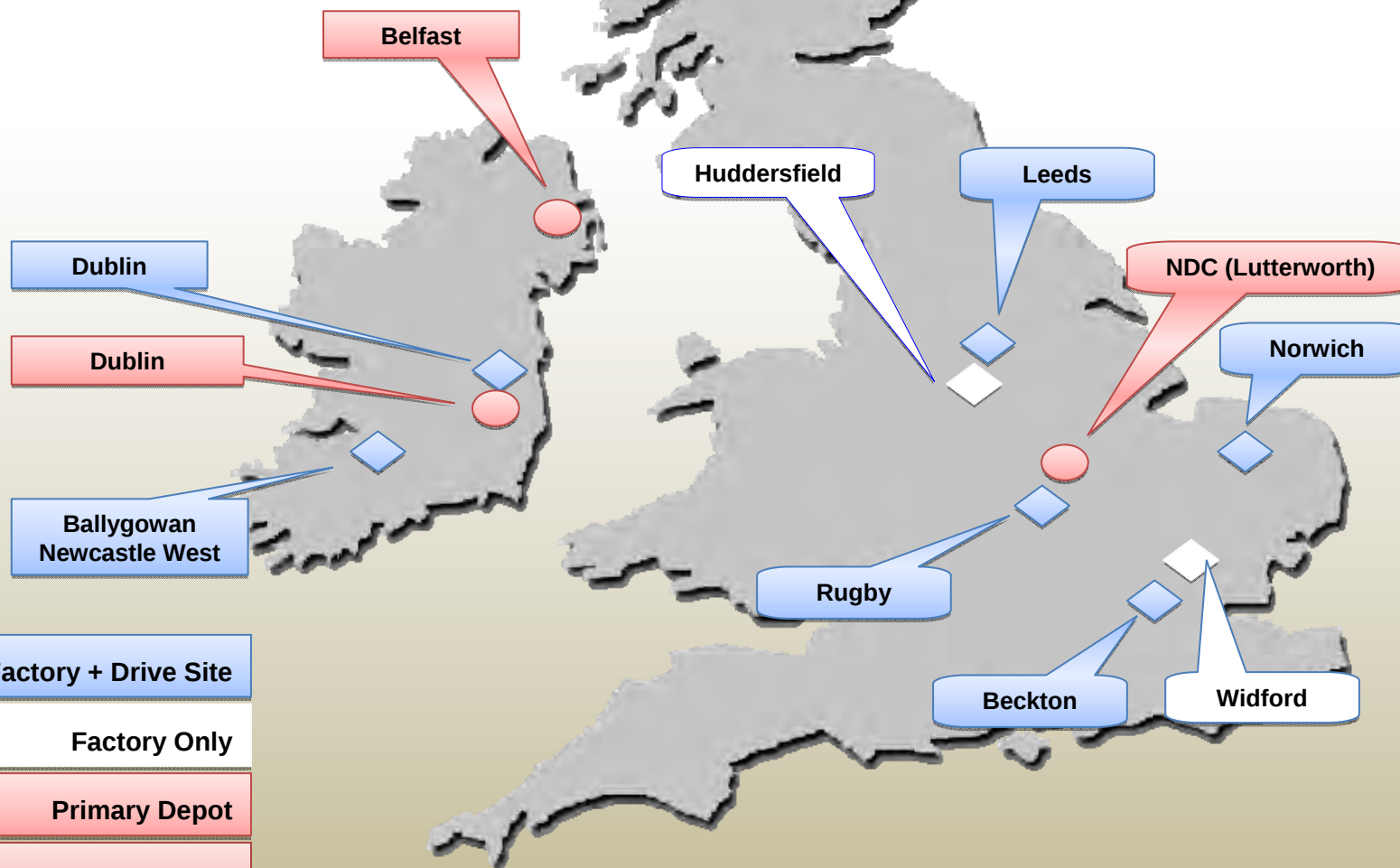
ENABLING

Develop **great people**
to deliver **great performance**





Group Infrastructure

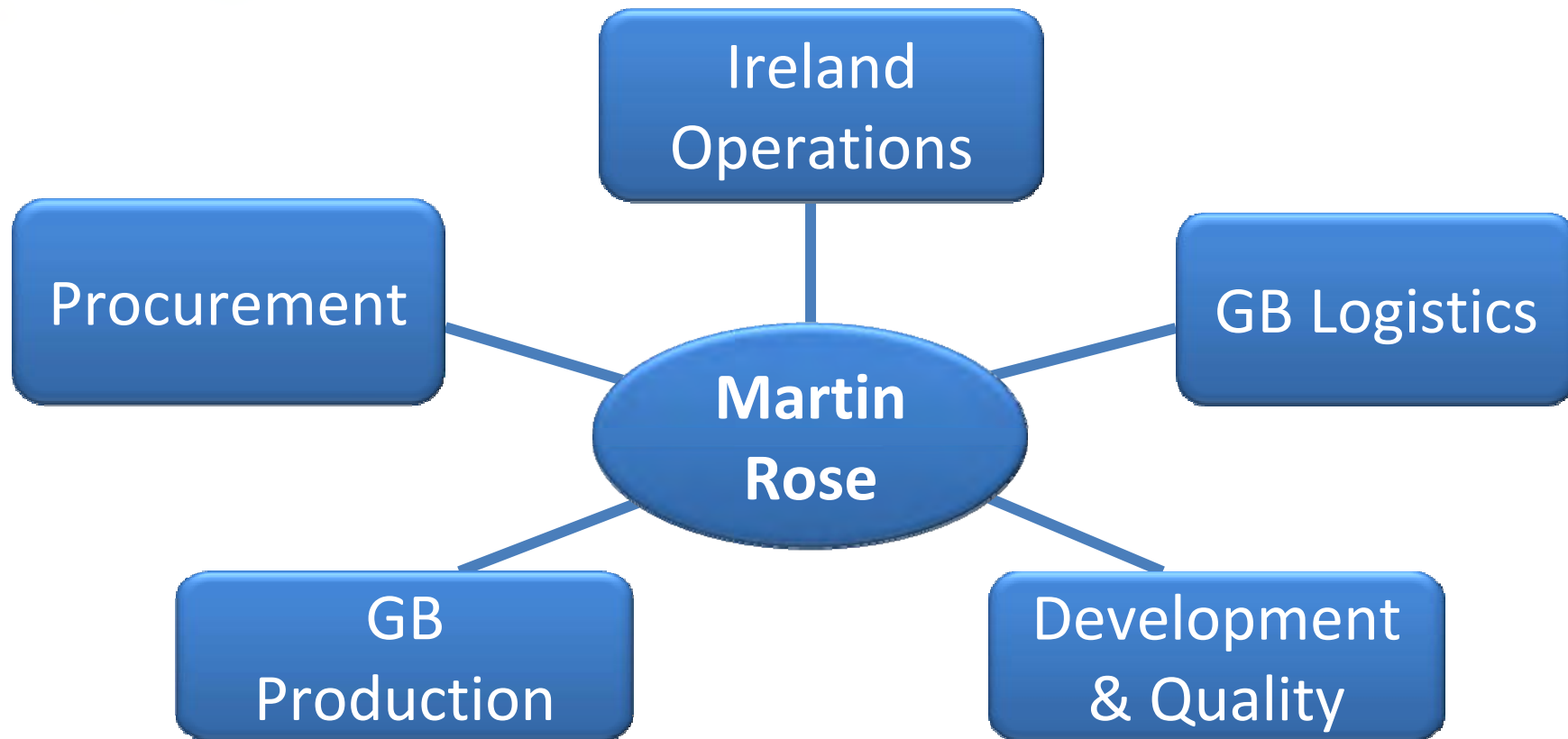


	Factory + Drive Site
	Factory Only
	Primary Depot
	Secondary & Wholesale Depot





Supply Chain Organisation





Servicing Organic Success

GROWTH

Deliver outstanding products & services
that delight our customers & consumers

PRODUCTIVITY

Optimise the cost base
in order to **drive the operating-profit margin**

ENABLING

Develop **great people**
to deliver **great performance**

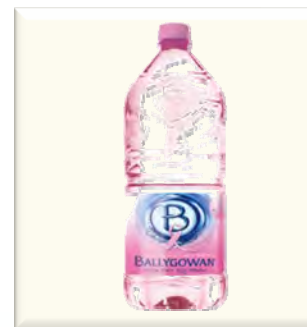
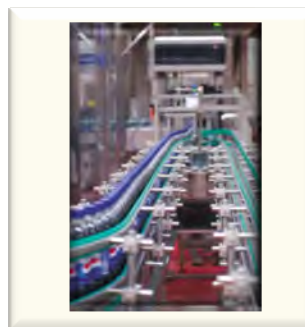
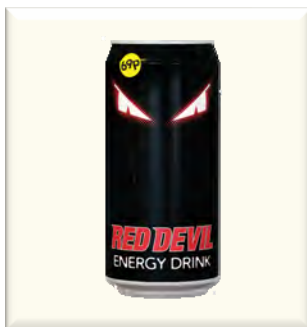




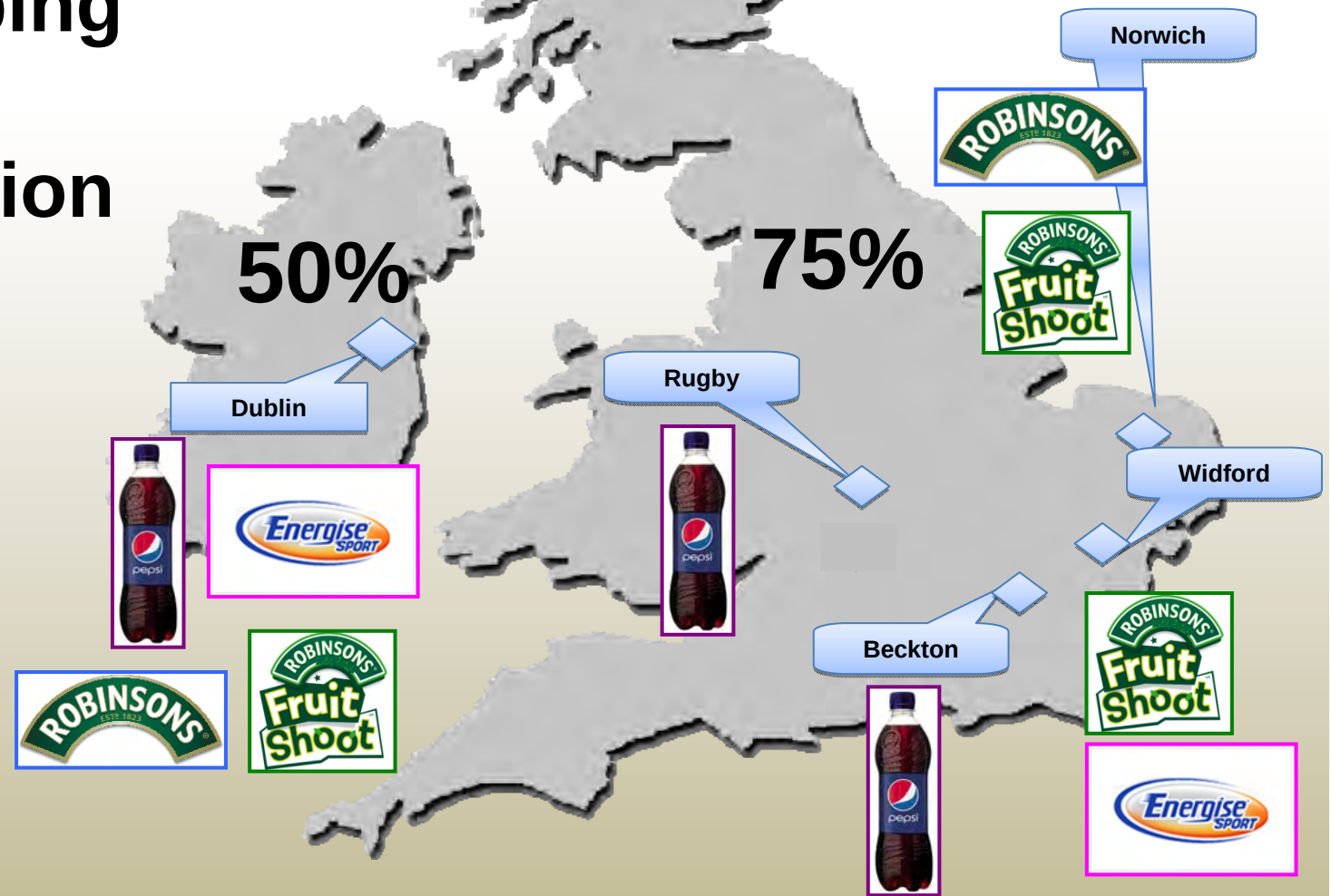
Simplicity and Efficiency

Delivering a significant number of activities this year in
support of the growth agenda

Ongoing product rationalisation to
minimise complexity and maximise efficiency



Developing Flexible Production





Managing Costs Out

GROWTH

Deliver outstanding products & services that delight our customers & consumers

PRODUCTIVITY

Optimise the cost base in order to **drive the operating-profit margin**

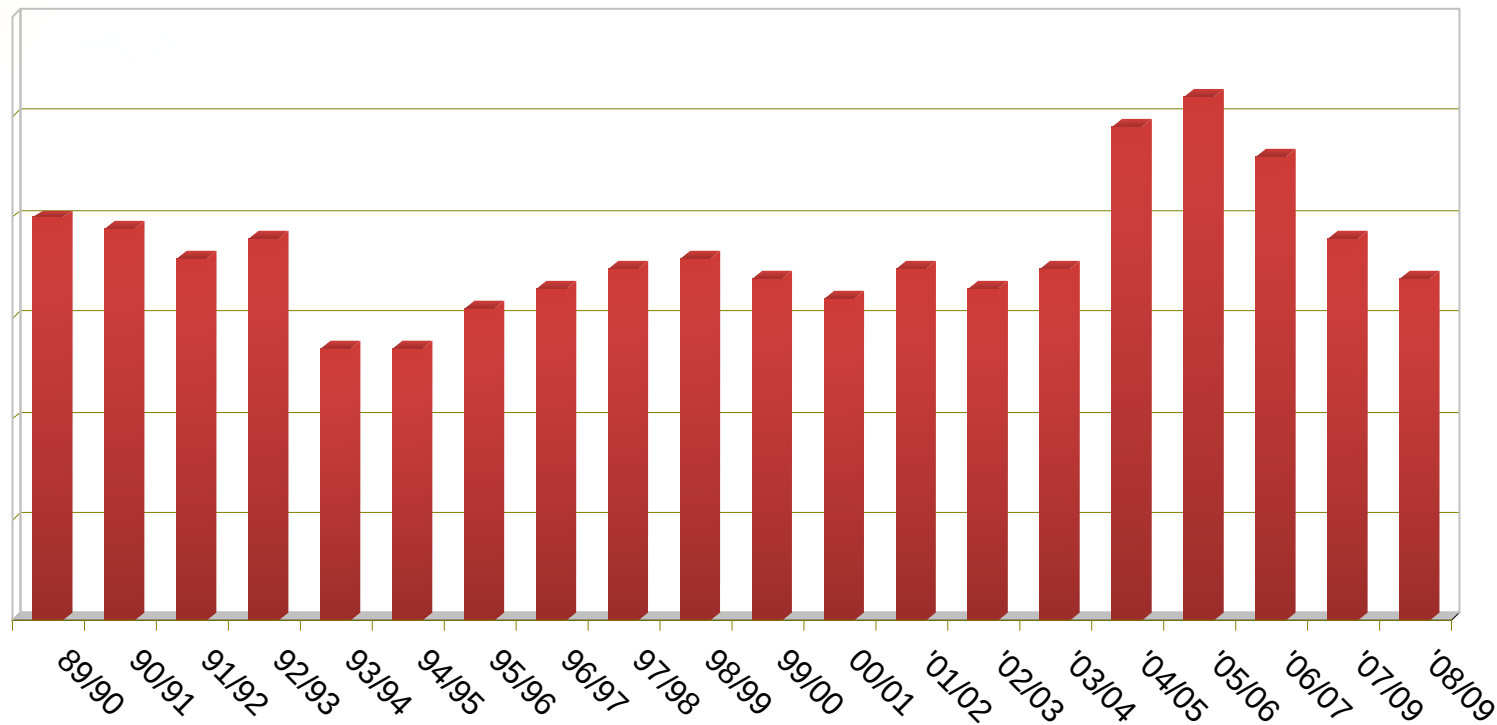
ENABLING

Develop great people to deliver great performance





Delivering Margin Improvement



Relative unit cost per case

Ambition to deliver a **flat unit cost** over a 20 year period





A Successful History Of Productivity Within GB



Supporting the growth agenda through operational leverage





A Flexible Distribution Network

National Distribution Centre

- 2010 cost per case same as 2003
- 76 million cases handled per annum
- Capacity to handle c.100 million cases

Secondary Distribution

- Outsourced to KNDL in 2007
- KNDL network capacity significantly enhanced our distribution headroom





Significant Cost-Saving Opportunities

Product Value Optimisation (PVO) initiatives achieved to date

- In-house TRDU production @ Rugby
- Light weighting of J₂O glass bottle
- PET bottle blowing brought in-house

2010 PVO programme

- In-house TRDU production @ Norwich
- Juice formulation
- Sugar Dissolving

Group Procurement

- Centralisation & automation of procurement in Ireland via SAP
- E-trading platform introduced to maximise benefits





Driving Value Throughout The Supply Chain

STANDARDISED
GROUP POLICIES
&
PROCEDURES

SHARING OF
BEST PRACTICE
ACROSS
THE GROUP

DRIVING
CAPACITY
UTILISATION

MAXIMISING
EX-FACTORY
DELIVERIES





Corporate Responsibility: Supply Chain

2002 - 2009

Water usage ratio 20.8%



Energy usage ratio 13.4%



Solid waste to landfill 79.7%





In Summary

Supporting *the growth agenda*

Enhancing *the earnings momentum*

Reducing *complexity*

A World-Class Model *to replicate*





Simon Stewart

Category Leadership and 2010 Innovation





Agenda

The Marketing *vision*

Growth *in the GB soft drinks market*

Using Insight *to drive category growth*

The 2010 *innovation programme*

DRIVING SHARE GROWTH





Marketing Vision

Focus

on core and seed brands



Insight

leading the understanding of consumer, shopper and retailer desires



Innovation

meeting the future needs of consumers



Enable

the organisation to execute flawlessly in market





Agenda

The Marketing *vision*

Growth In The *GB soft drinks market*

Using Insight *to drive category growth*

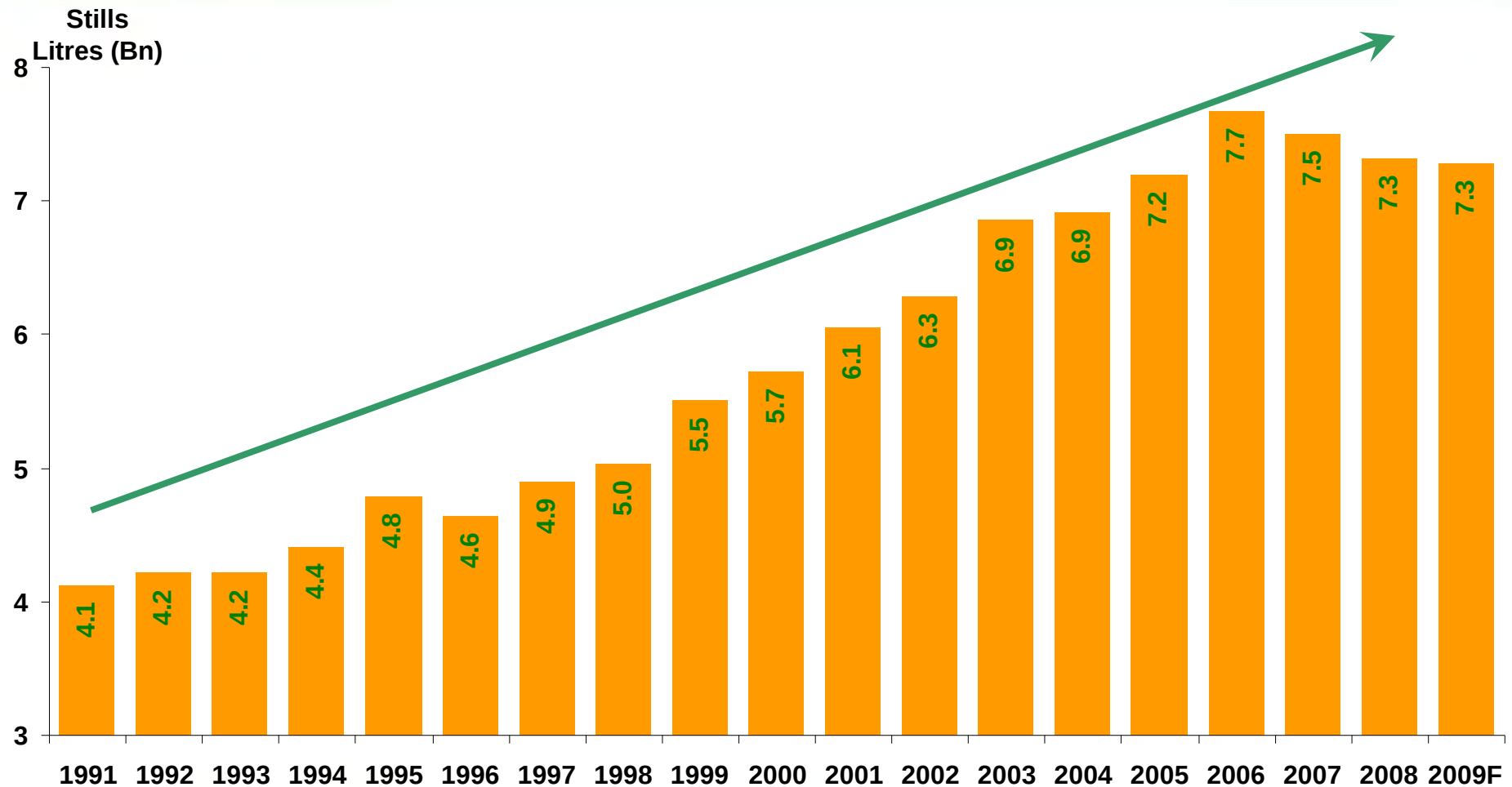
The 2010 *innovation programme*

DRIVING SHARE GROWTH





Stills Consumption Has Been The Main Driver Of Long-Term Market Growth



Source: Canadian Annual Soft Drinks Report 2009 (Volume as Drunk)



Continued Growth Of Soft Drinks

Expandable

Consumers will drink more if you meet their needs



Cohorting

Younger people consume more and take their habits with them



Population

*The UK population is forecast to reach 71.6m (+10.2M) by 2033**



*Office for National Statistics March 2010





Agenda

The Marketing *vision*

Growth In The GB *soft drinks market*

Using Insight to drive category growth

The 2010 *innovation programme*

DRIVING SHARE GROWTH





Our Approach Is Centred On 5 Key Strategies





Unavoidable Visibility



Why?



Impulse purchases are triggered by “seeing” the products

Consumers do not always see the main soft drinks chiller

Benefit

An X% increase in penetration in your store is worth

£Xm





Improving Visibility

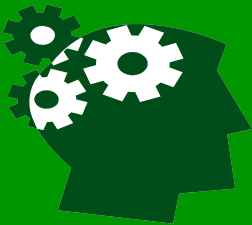




Maximising The Spend



Why



Remind shoppers to buy everything they need...and more!

72% of shopper on a food to go mission don't pick up a soft drink

Benefit

If every soft drinks shopper in your store spent another Xp a year→

£Xm





Maximising The Spend





Agenda

The Marketing *vision*

Growth In The GB *soft drinks market*

Using Insight *to drive category growth*

The 2010 *innovation programme*

DRIVING SHARE GROWTH



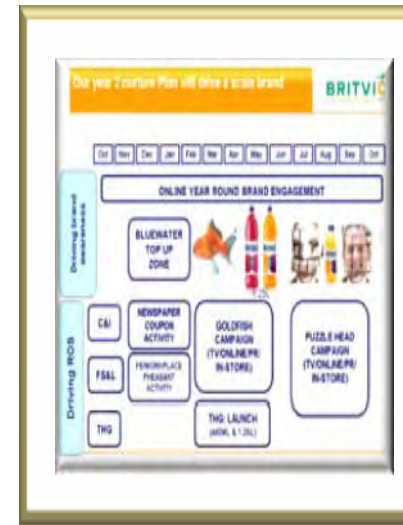
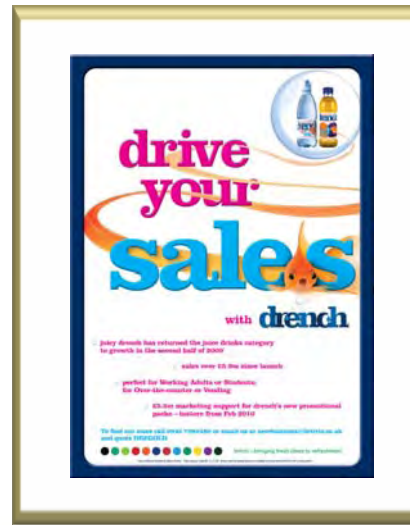


Our Winning Approach To Innovation

DEVELOPMENT
“Maximise chance
of success”

**LAUNCH
EXECUTION**
“unavoidable
visibility”

NURTURE
“maintain
focus”





Energy Has Thrived Throughout The Consumer Downturn



Now the
3rd
largest soft
drinks
category

Worth
£569m



Fastest
growing

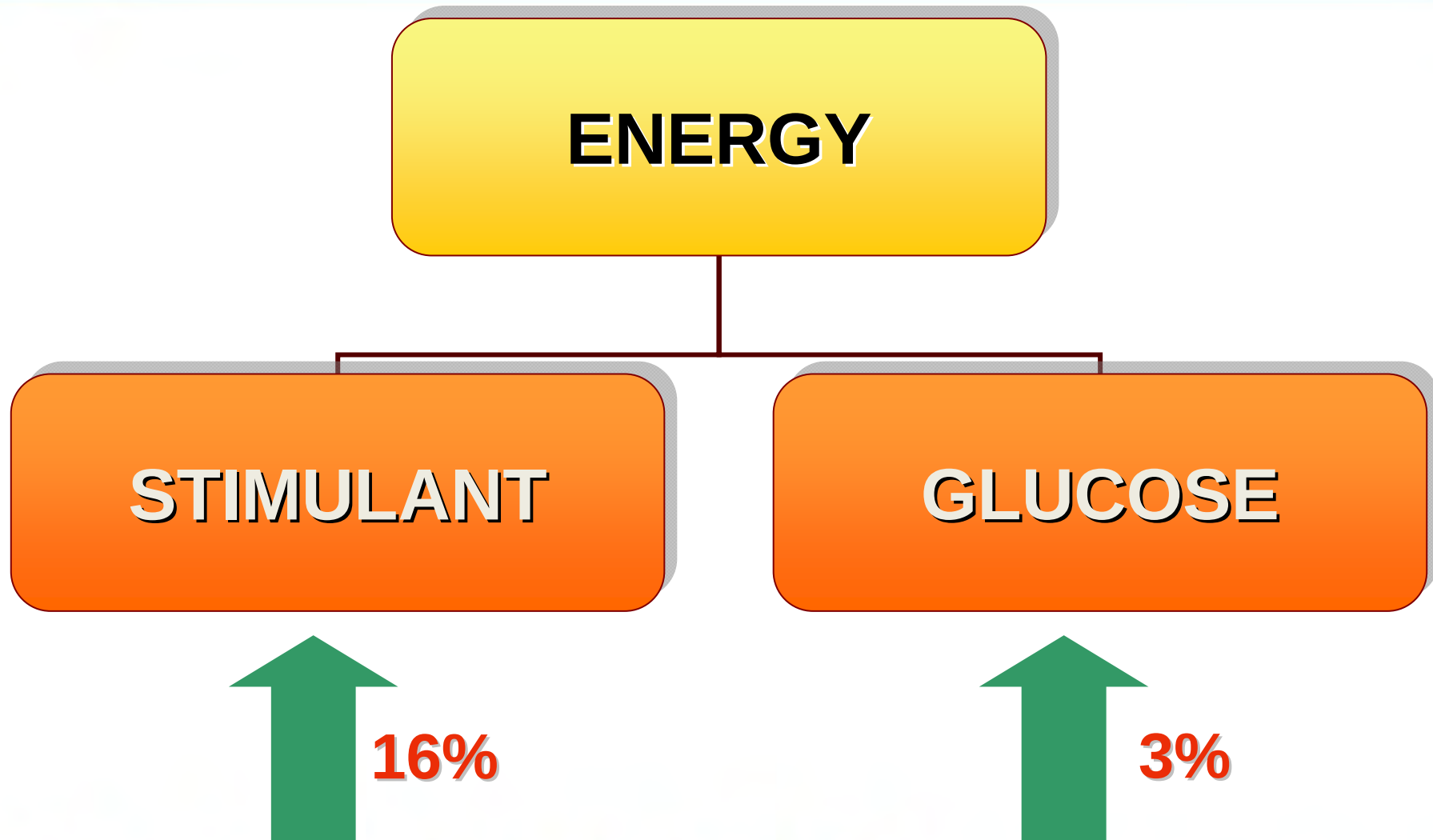


+9.4%*



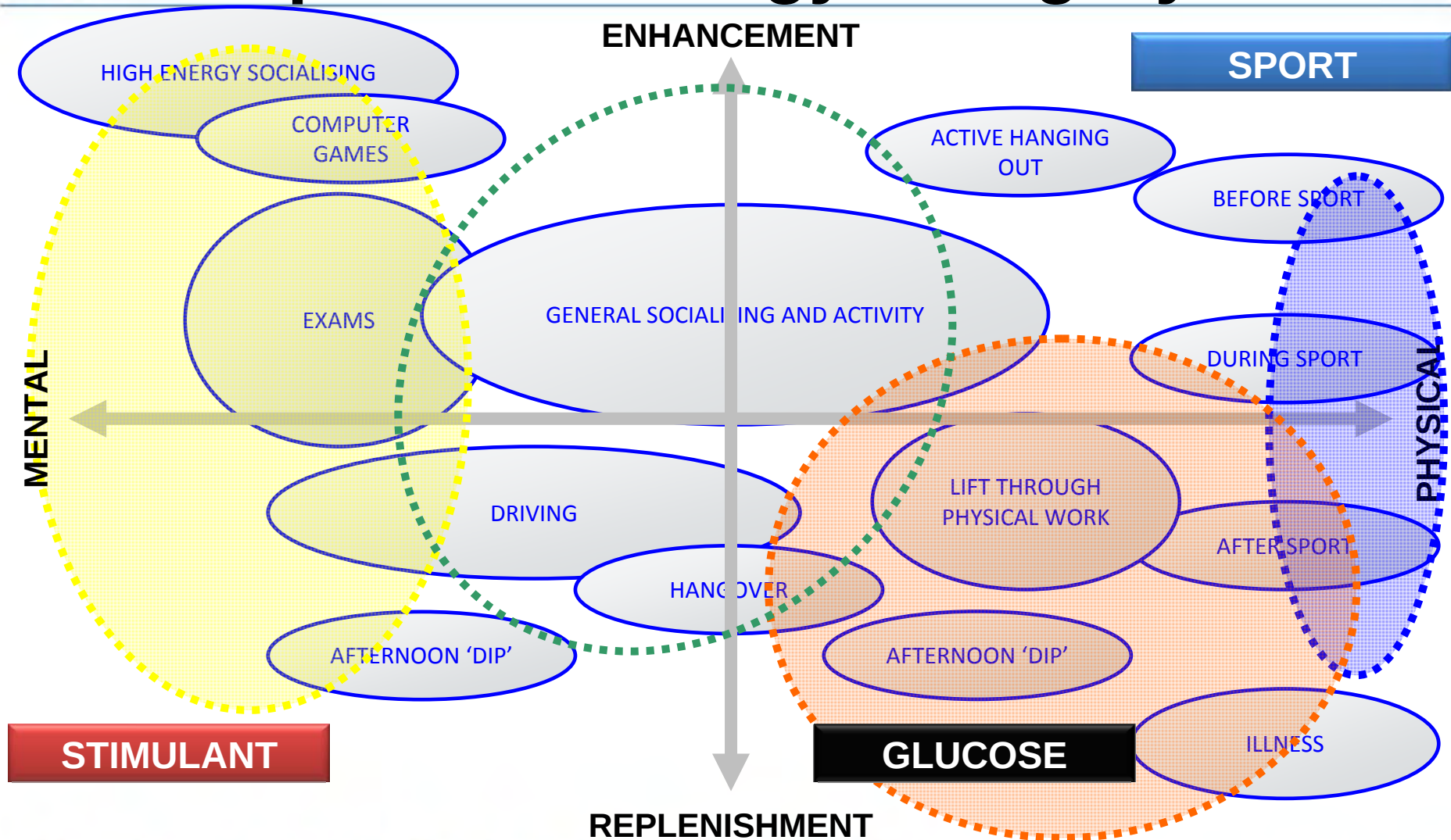


An Opportunity To Drive A USP





Our Insight Has Identified A Major Gap In The Energy Category



drivers
of
growth

A Global Brand To Re-invigorate The Glucose Category



Great
Citrus
Taste

Easy
to
Drink

Sugar &
Caffeine
Boost

Enjoyment

Immediate
Exhilarating
Refreshment

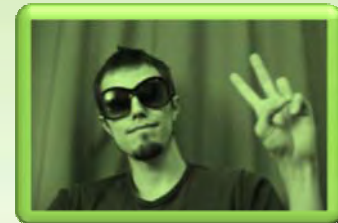
Everyday
Energy

- Launching in May 2010
- Available in 500ml

drivers
of
growth



- 1 bn Litre Global Brand
- YOUTH Heritage
- MAVERICK Attitude
- ENERGETIC Outlook





We Need To Meet Both Mums' & Kids' Needs



MUM'S CHECKLIST

- ✓ Kids will drink!
- ✓ Hydration
- ✓ 5 A Day
- ✓ No Added Sugar
- ✓ Avoid artificial
- ✓ No spills
- ✓ Suits the occasion

KID'S CHECKLIST

- ✓ Thirsty
- ✓ Tastes great
- ✓ Fun
- ✓ For Me



drivers
of
growth

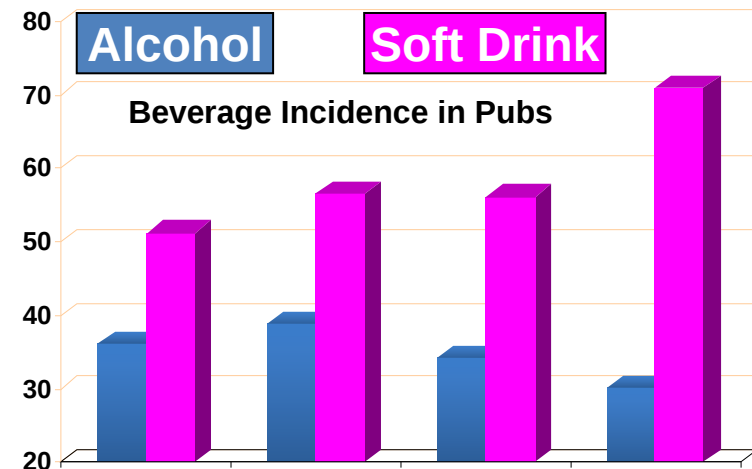
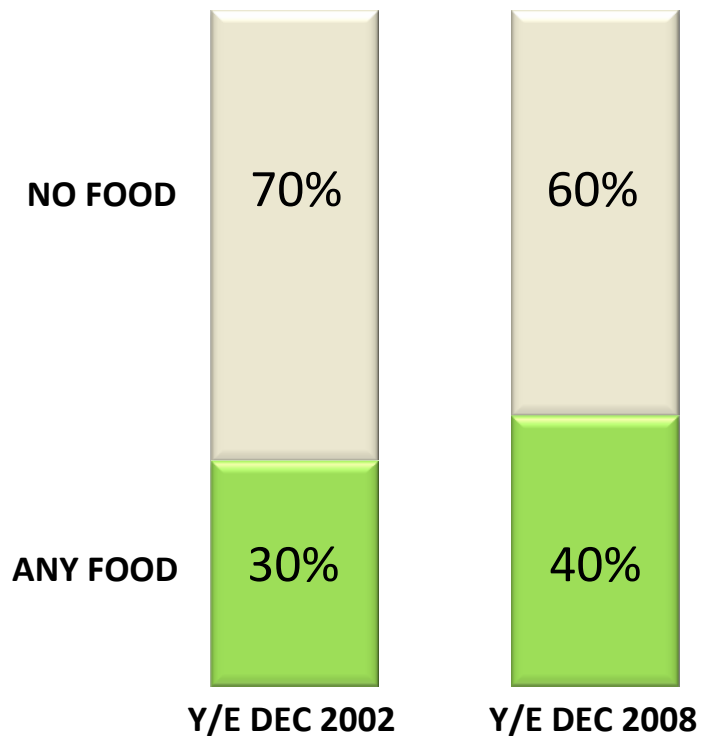
A Powerful Addition To The Fruit Shoot Range





The Casual Dining Occasion is Growing In Licensed

Reason to visit the pub



e.g. over 50% of drinks sold with food led environments
Harvester & Brewers Fayre are soft drinks**

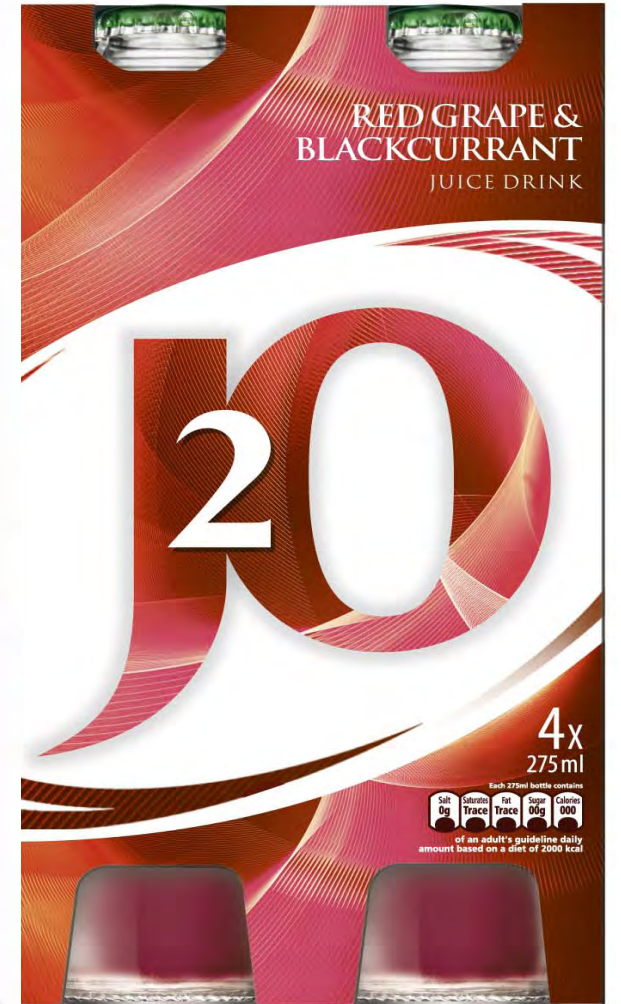
Source: The NPD Group/CREST Q4 2008

Source:** Crest Drinks incidence in Pubs, Jul – Dec 2008 vs YA



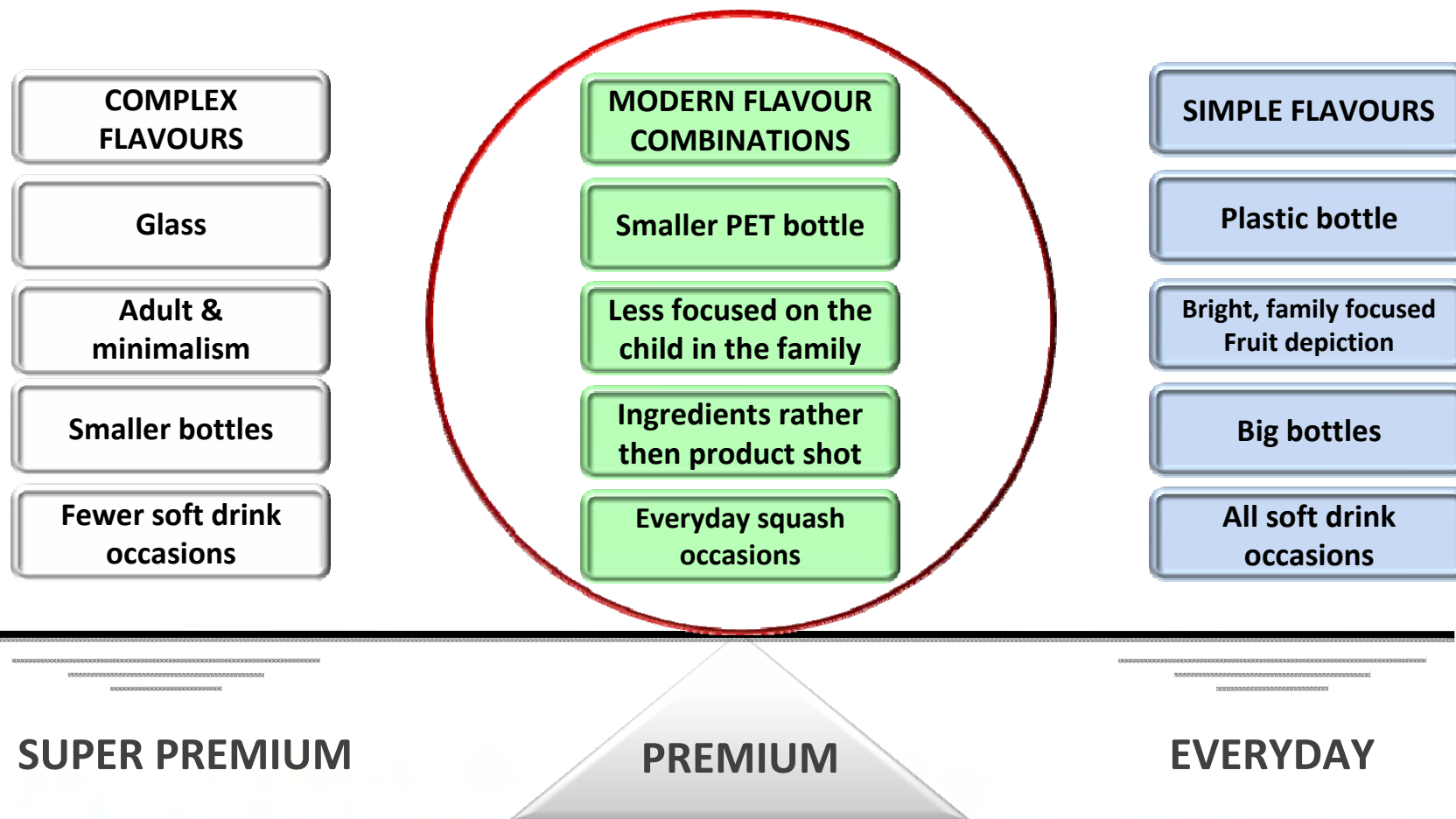


A New J₂O Range Expertly Crafted To Complement Food





Understanding Tiers In Squash



Further Innovation In Premium Squash





Pack Architecture - A Material Innovation Driver

Occasion	Pack Solution	Retail Value
At Home		50p / litre
On The Go		134p / litre





What Do We Need To Do?

Value



**Drive spend
& profit
whilst
offering value
for money**

Visibility



**Prompt
impulse by
driving
standout**

Invigoration



**Re-engage
with
shoppers
On The Go**

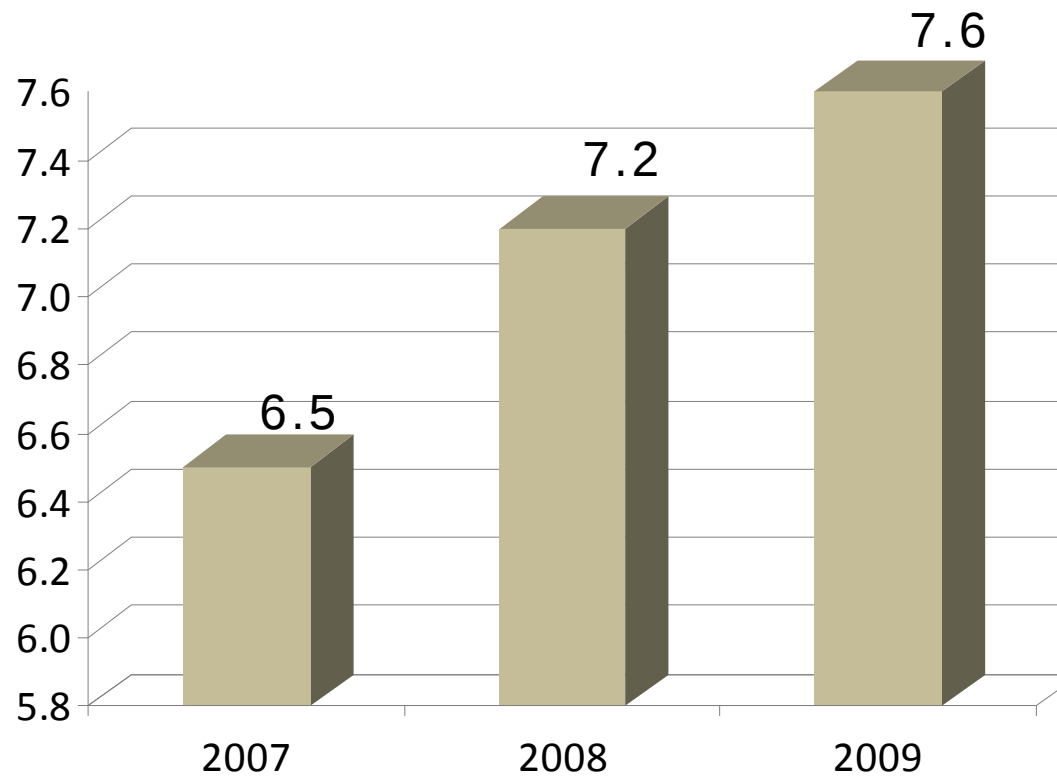




The Number Of Households That Will Switch Between Cola Brands Is Increasing



M Households



Switchers spend twice as much as brand-loyal consumers



Source: Total GB; Homescan; 20.02.10





A new 600ml pack for the price of a 500ml



The 2010 Innovation Programme

New Brands



Brand Extensions



Pack & Experience





In Summary

Market

Will continue to grow in the long term



Consumer

Needs met through Britvic's compelling insight



Innovating

*To drive ARP and margin – pack **AND** channel*





Paul Moody

Chief Executive

Q&A and Break





Murray Harris

Winning In Trade





Channels to Market in GB

Grocery

- Retail value
£4.4bn
- Britvic share
11.8%
- Number 2
supplier



Licensed

- Retail value
£2.4bn
- Britvic share
47.3%
- Number 1
supplier



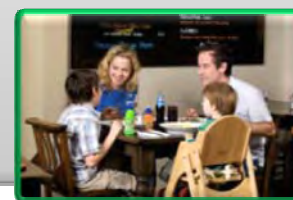
Impulse

- Retail value
£1.8bn
- Britvic share
9.7%
- Number 3
supplier



Food Service

- Retail value
£6.0bn*
- Britvic share
7.0%
- Number 3
supplier



(1) AC Nielsen Scantrack data to January 2010 Total Coverage MAT (2) AC Nielsen Licensed On-Premise data to November 2009 Total Coverage MAT

* Source: Crest data and represents total foodservice market value – food and drink, Britvic internal data for foodservice share estimate





Customer Management Vision

Visibility

*Of our brands in outlet
that engages consumers*



Knowledge

*Authority on growing the
soft drinks category*



Partnerships

With retailers that deliver growth



Value

*Growth that step changes
our market share*





A Platform For Growth

Market volume growth: 2-3%

A proven contribution from innovation

Significant distribution opportunities

ARP up at least 1%





Breakout Sessions

Grocery

**Simon
Stewart**

Licensed

**Martin
Rose**

On-The-Go

**Murray
Harris**





On-The-Go

Murray Harris





Agenda

Channel *overview*

Growth Opportunities – *On-The-Go packs*

Point-Of-Purchase *solutions*

Optimising *the innovation plan*

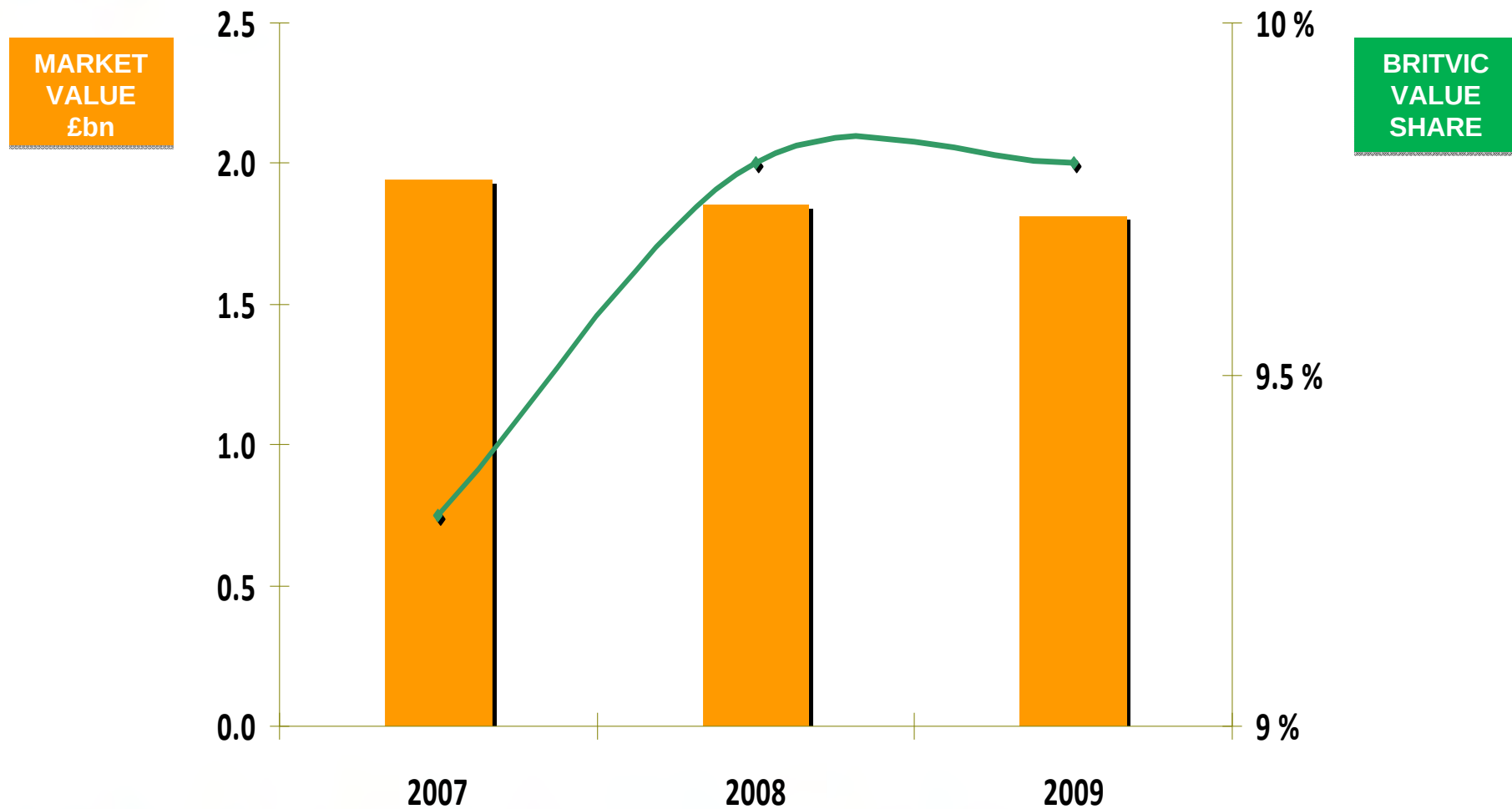
Winning *new business*

DRIVING SHARE GROWTH





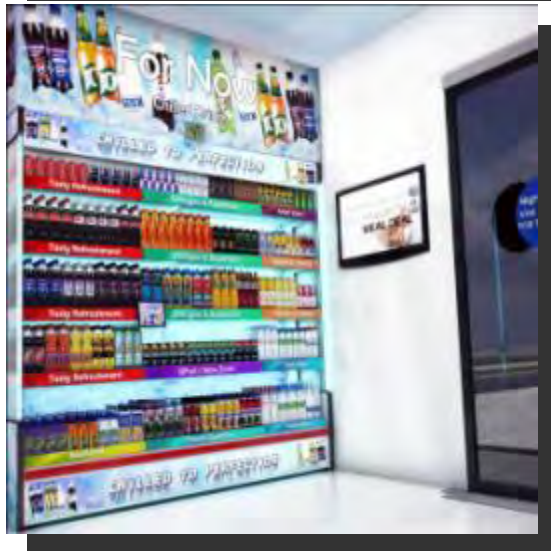
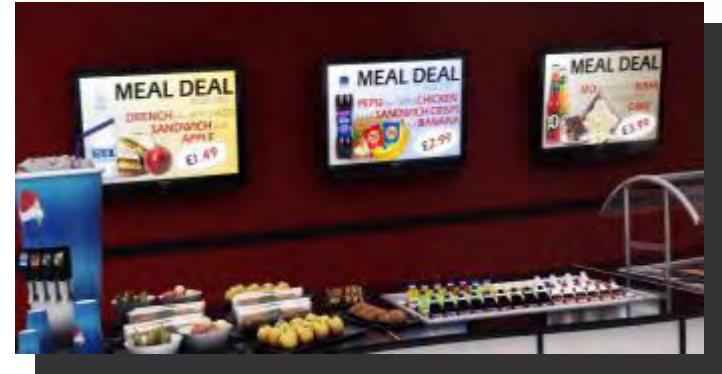
Impulse - Material Growth Opportunities For Britvic



Nielsen Take-home scantrack to 02.01.10



There Are On-The-Go Opportunities **Across** The Channels



From forecourts to front-of-store in grocery





Developing Retailer-Specific Solutions





What does it mean?

Whole Day Delivery: Meeting the range of needs & occasions through the day



What will the **SHOPPER** say?

... "I drink all day long, whatever the time of year"



WHY?

- OOH Soft Drinks consumption peaks at lunchtime - 35% of consumption happens between 12-2pm
- 76% snack throughout their working day
- After School key: Over 25% of Kids Soft drinks are drunk between 3-4pm

HOW?





Driving Sales Within The Outlet

**Executing At The
Point Of Purchase**



drivers
of
growth

An Unrivalled Carbs **AND** Stills On-The-Go Portfolio

2005



2010





A Creative Approach To Engage Consumers



Snack / link deal chillers for fast lane. Space required for crisps, 2L and 1L bottles, kids snacks, hanging bags.



Flexible Solutions For Each Occasion



Front of store
availability
at the
point of
purchase



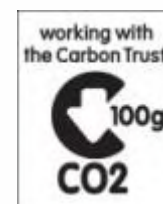
Combining
with other
impulse
products to
drive sales



Generating
meal deal
solutions
as new
thinking



A New Range Of Chillers That Reduce Carbon Emissions And Energy Usage





Flawless In-Store Execution For 600ml PET



drivers
of
growth

As well as 600ml Tango will be disruptive, with 440ml returning, and new pack innovation

440ml
WIGIG
& 600ml



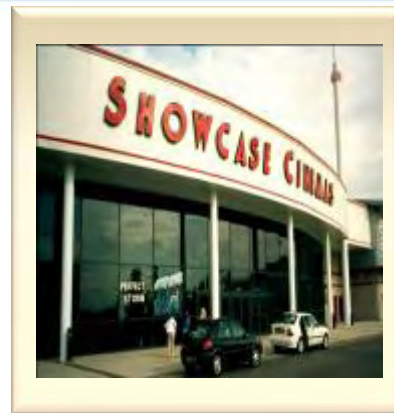
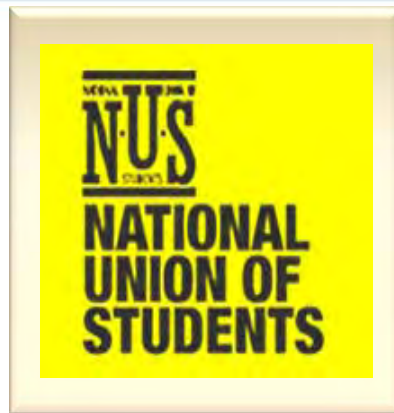
Glow in
the dark
cans

Cans reveal
side effects
when chilled





Gaining Real Strategic Traction





Compass – A Winning Example

A long-term partnership with Compass

Strategic partner for the next 3 years





Compass – A Winning Example

Our products in 6,000 outlets

Providing both chiller **and** vending solutions





In Summary

Insight

A true competitive advantage



Portfolio

The most compelling range for retailers



Execution

Demonstrable excellence



**New
Business**

Significant results already





Grocery

Simon Stewart





Agenda

Channel *overview*

Growth opportunities *in grocery*

2010 innovation *for the channel*

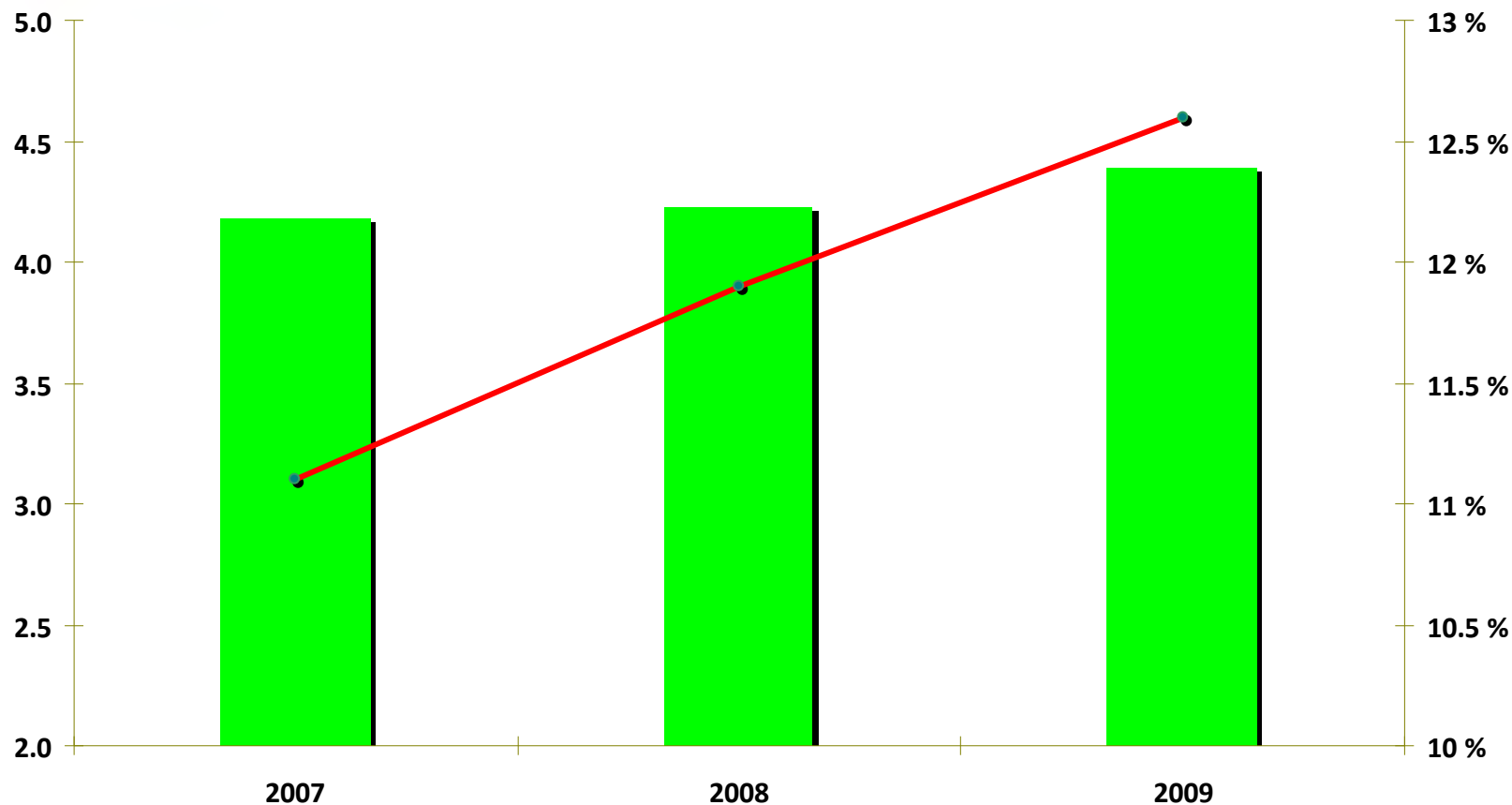
**The growing importance of
*online shopping***

DRIVING SHARE GROWTH





Grocery Multiples Have Proved Resilient During The Downturn



Market Value £bn

Britvic value share

Nielsen scantrack to 02.01.10





Our Approach To Growth In Grocery

EXPERIENCE



INSPIRING SHOPPERS

SPEND



**TO BUY
SOFT DRINKS**

OCCASIONS



**ON EVERY
OCCASION**

VISIBILITY



(DRIVEN BY)





Experience – Inspiring Shoppers





Experience – Engaging The Consumer

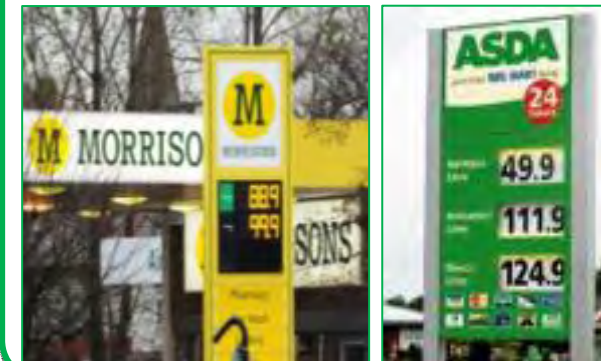




Experience - Grocery Is **Much More** Than The Main Store



Petrol Station



Front of Store OTG



Formats



The **co-operative**
good with food



TESCO

ASDA
part of the WAL-MART family

Sainsbury's **Waitrose**





Experience – Online Shopping Is Growing



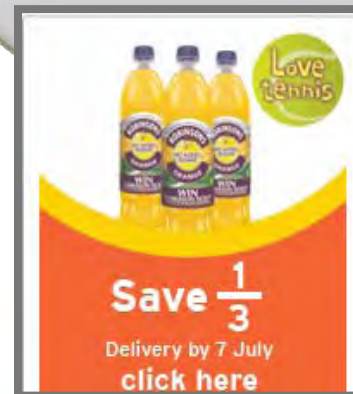
Online shopping retail value was £3.5bn in 2008



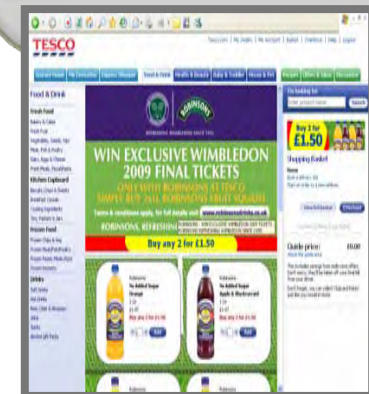
This is projected to double in value by 2014



Britvic has a 17% value share of soft drinks online



Large deferred packs are key for the online shopper





Spend - Through-The-Line Execution



**TO BUY
SOFT DRINKS**





Exploiting Occasions – Innovation To Drive Value Growth



ON EVERY OCCASION





Visibility

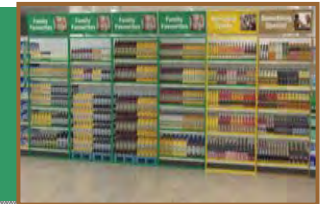




In Summary – Significant Growth Potential

Visibility

Making Britvic soft drinks easier to buy



Formats

Ensuring we offer the right products and selling solutions



Online

Great position to capture strong growth



Innovation

Delivering best in class launch and execution





Licensed

Martin Rose





Agenda

Channel *overview*

The role *of soft drinks*

Exploiting *the occasion*

2010 innovation *for the channel*

DRIVING SHARE GROWTH





Channel Overview

Total On-Premise

Licensed
47%

Restaurants & Leisure
28%

Managed
70%

Lease/Tenant
39%

Independants
36%

Hotels
40%

Sports
34%

Other
24%

Restaurants
20%



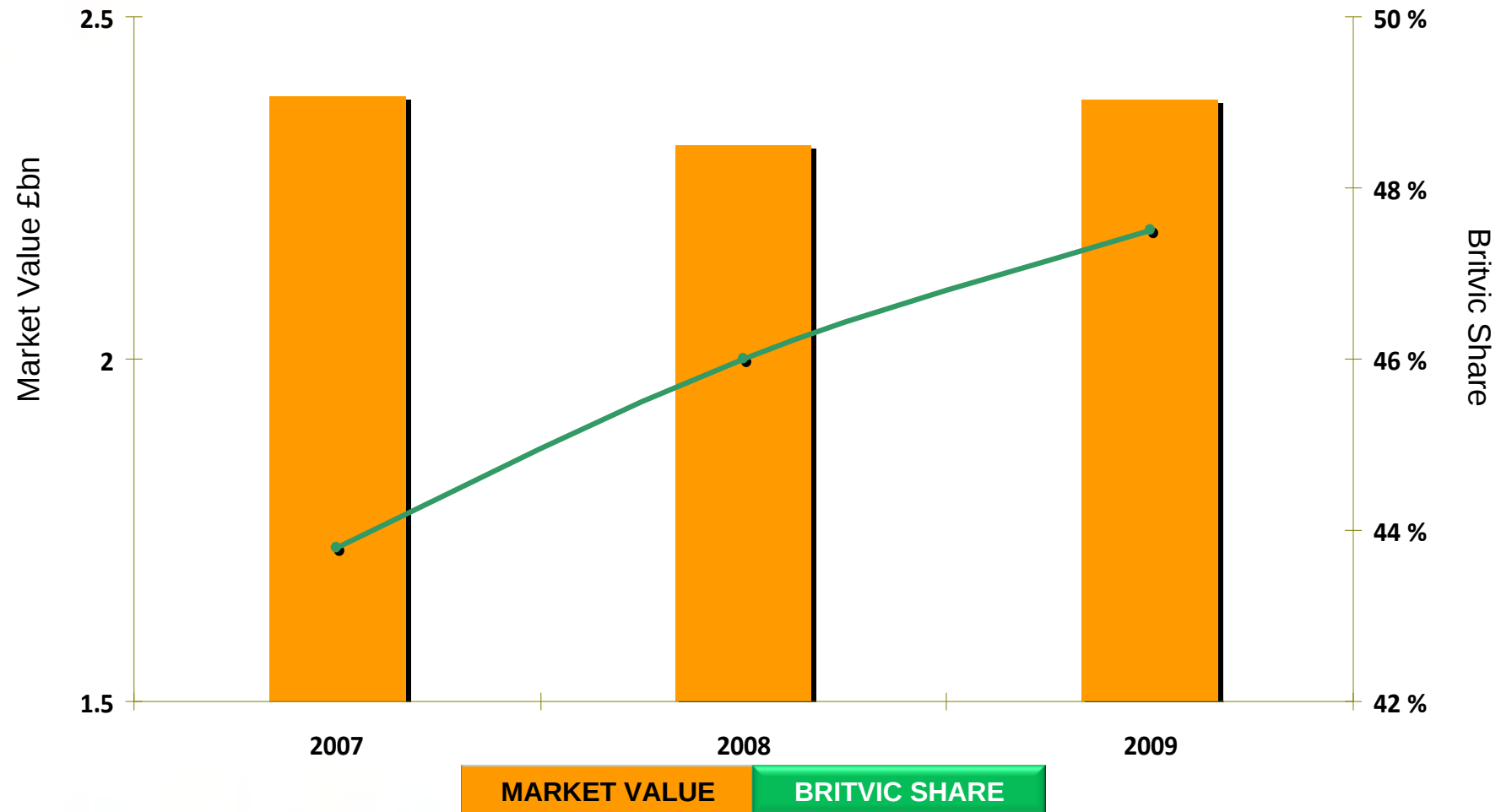
Figures denote Britvic value share

Source: AC Nielsen Nov 09 MAT





A Stable Market With Continued Growth For Britvic

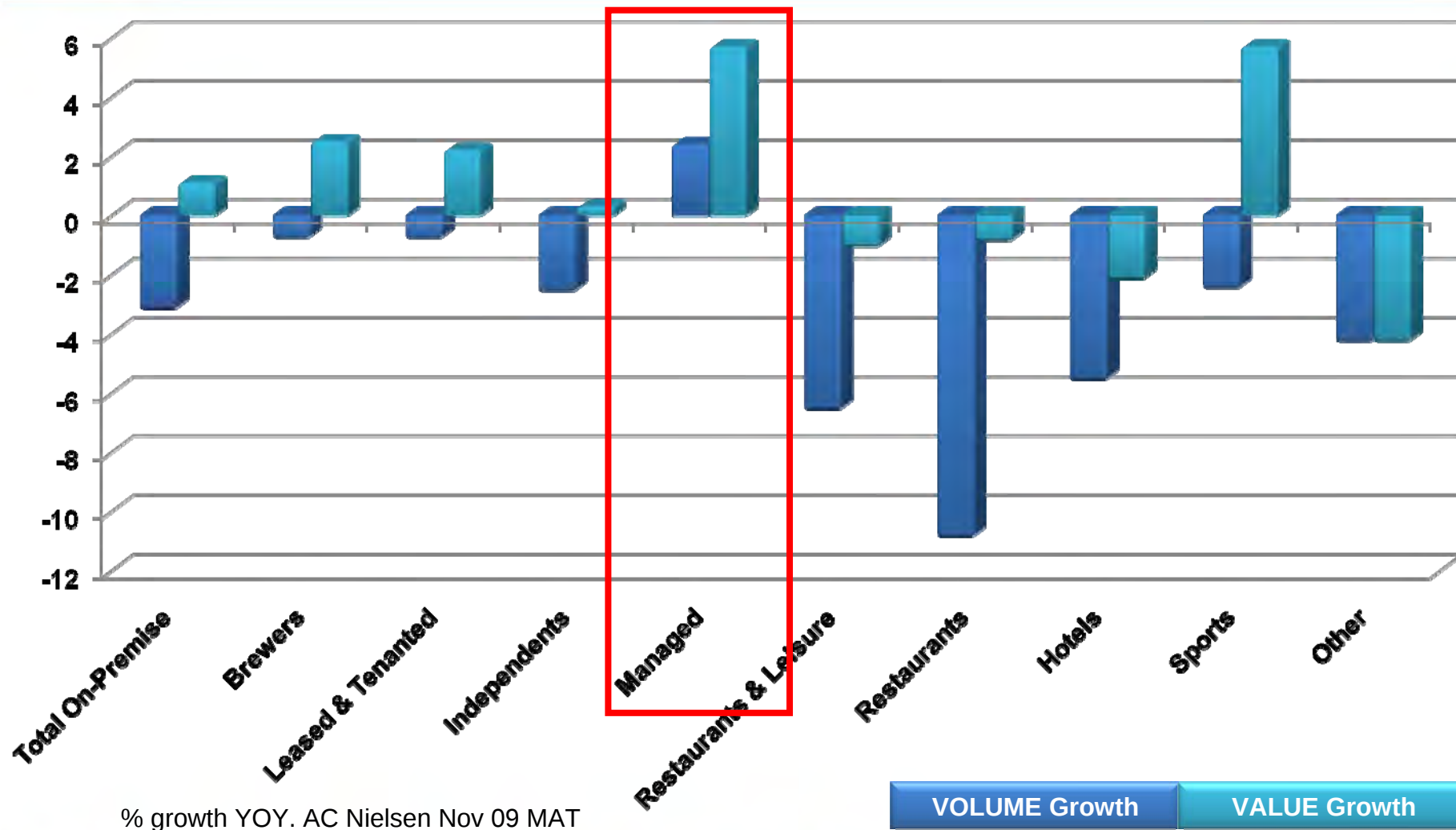


Source: Nielsen scantrack





Managed Retail Is The Core Territory For Britvic – And Is Growing





Agenda

Channel *overview*

The role of soft drinks

Exploiting *the occasion*

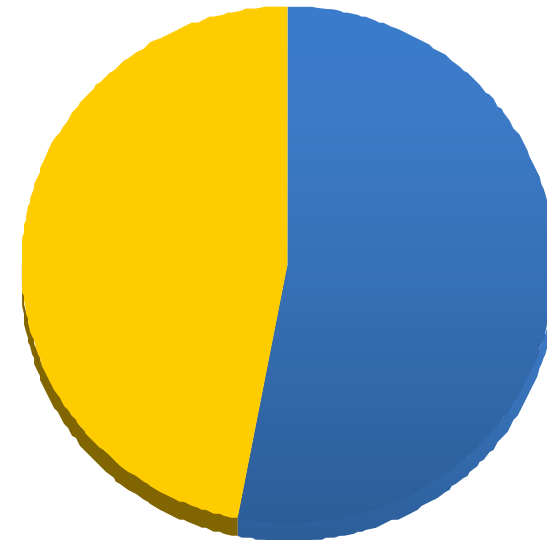
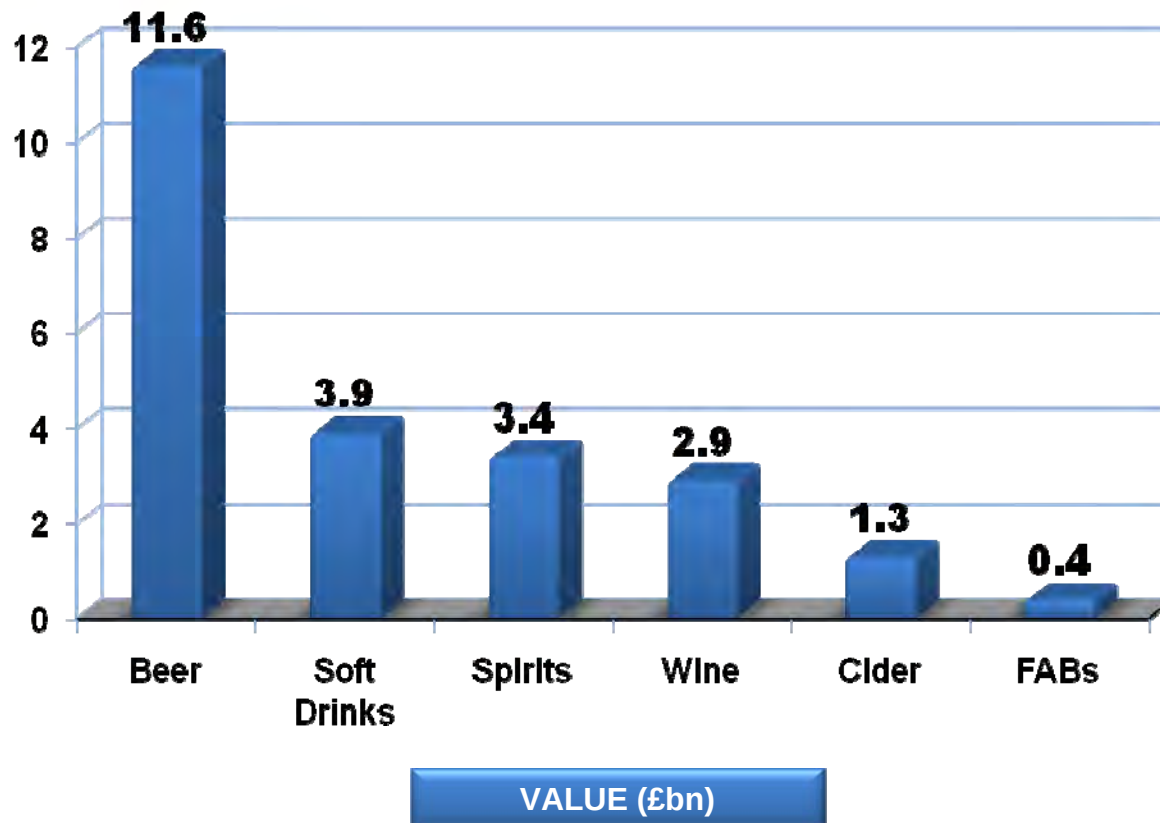
2010 innovation *for the channel*

DRIVING SHARE GROWTH





Soft Drinks Is The 2nd Biggest Category And Growing Fast



PACKAGED
SOFT
DRINKS

DRAUGHT
SOFT
DRINKS

Source: AC Nielsen Nov 09 MAT TOTAL ON-PREMISE





A Changing Industry - Reconfiguration Of Our Model





Agenda

Channel *overview*

The role *of soft drinks*

Exploiting *the occasion*

2010 innovation *for the channel*

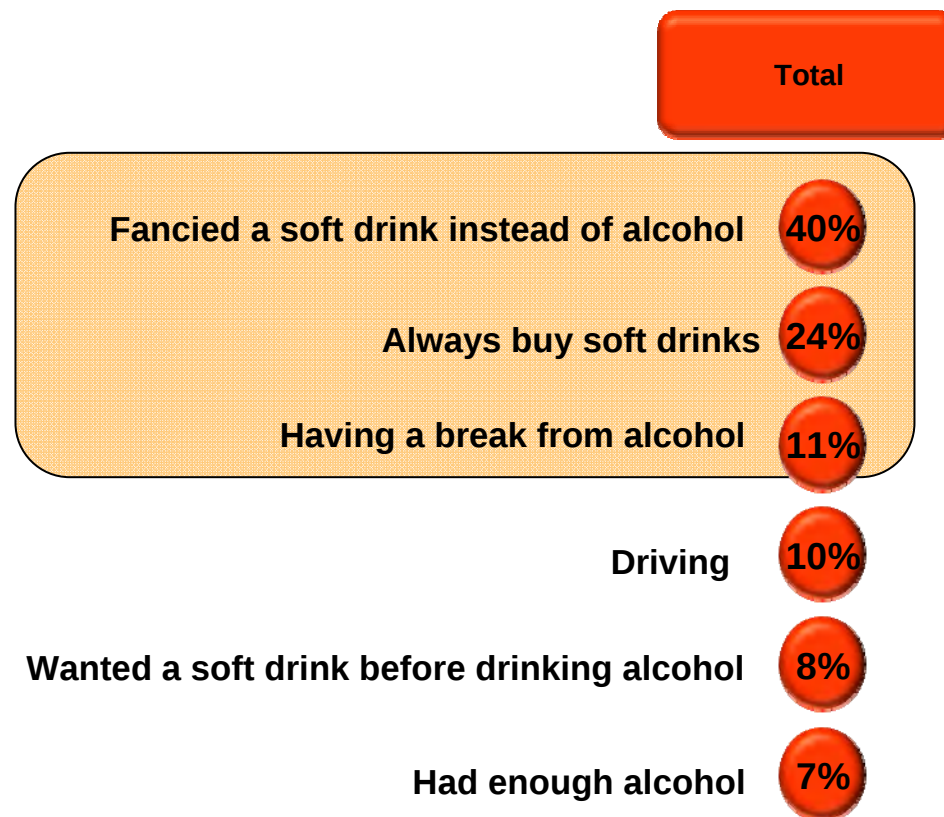
DRIVING SHARE GROWTH





Soft Drinks Are An Important Part Of The Consumer's 'Going Out' Experience

What was the main reason that led you to buy a soft drink today?



75% of consumers are actively choosing soft drinks

100



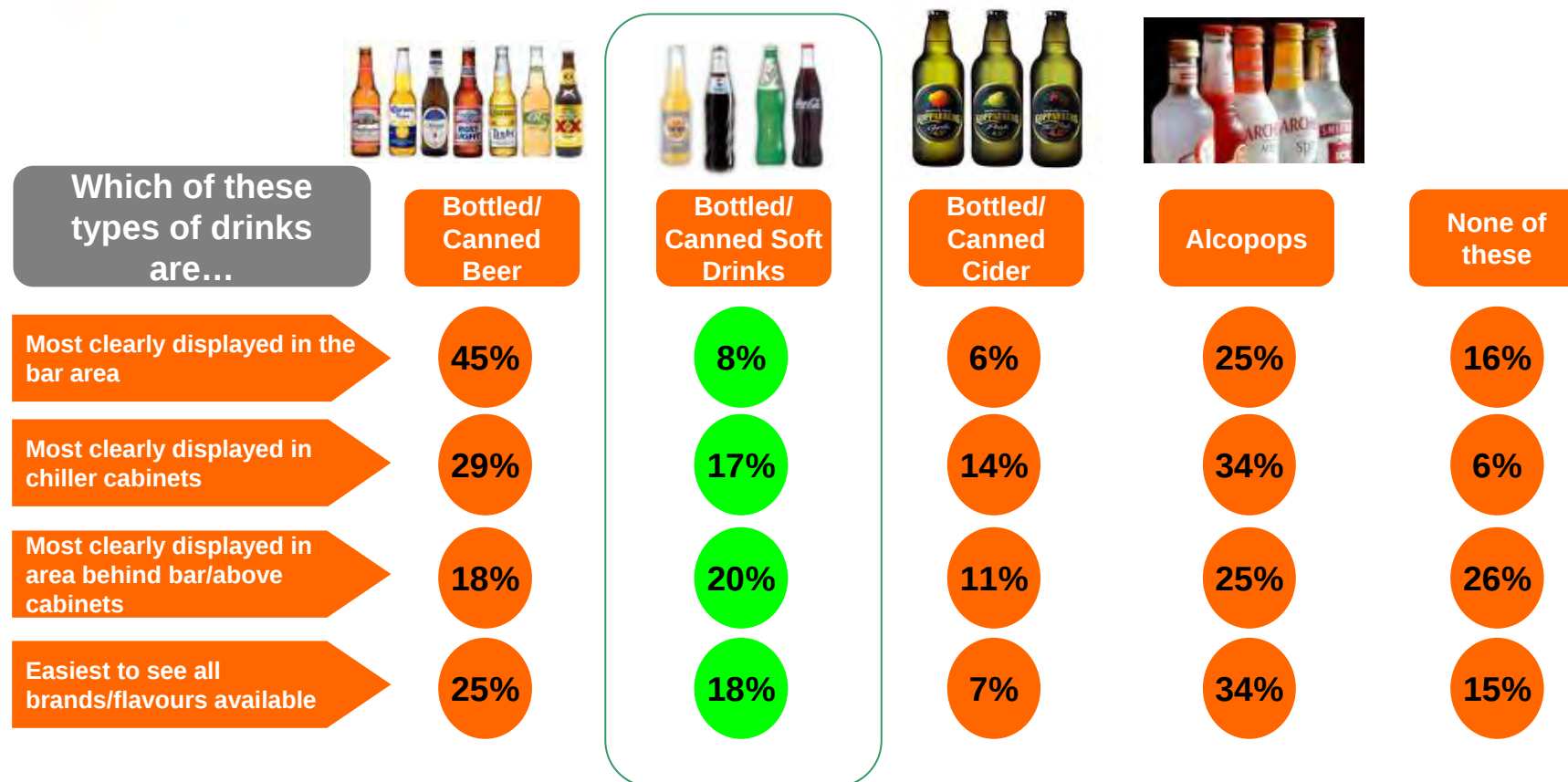
britvic • investor and analyst seminar 2010

Source: SPA In Outlet Research July 2009

Q4. What was the main reason that led you to decide to buy a soft drink today?
Base: All (n=230). Male (n=87). Female (n=143)



Soft Drinks Visibility In The Outlet Is Poor And Presents An Opportunity To Grow Sales





Consumers Tell Us They Want...

Choice

A range for different occasions



Quality

A soft drink that is both cold,
tastes great and is perfectly served



Experience

Buying a soft drink should be a pleasure



Visibility

Showcasing what is on offer





Our Portfolio Is Already The Strongest And We Are About To Make It Even Better





A Quality Offering Drives Repeat Purchase



33% of people are
willing to pay more for
Perfect serve

77% of customers are likely to
buy another drink when they
have been perfectly served a
Soft Drink



75% of customers are likely
to return to an outlet where
they have been perfectly
served a Soft Drink





Experience & Visibility



DRINKS DEALS
Sunday to Thursday all day // Friday 'till 9pm

BECK'S	\$1.50
SMIRNOFF ICE	\$1.70
BLOSSOM HILL (175ml)	\$1.70
CARLING	\$1.95
STELLA ARTOIS	\$2.25
BULMERS	\$2.75
DOUBLE SMIRNOFF with Red Bull or mixer	\$2.75
DOUBLE JACK DANIEL'S with mixer	\$2.75
PEPSI	99p





Agenda

Channel *overview*

The role *of soft drinks*

Exploiting *the occasion*

2010 innovation *for the channel*

DRIVING SHARE GROWTH





A Through-The-Line Plan To Engage Consumers



Home

In Outlet



Digital, Press & Sampling



National Newspaper & Customer Email Traffic Driving Activity



At Table POS Menu Feature



Staff Endorsement Bundle Deal

Awareness & Understanding

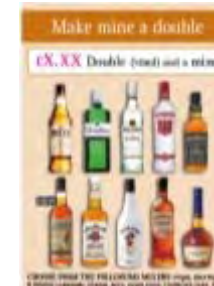
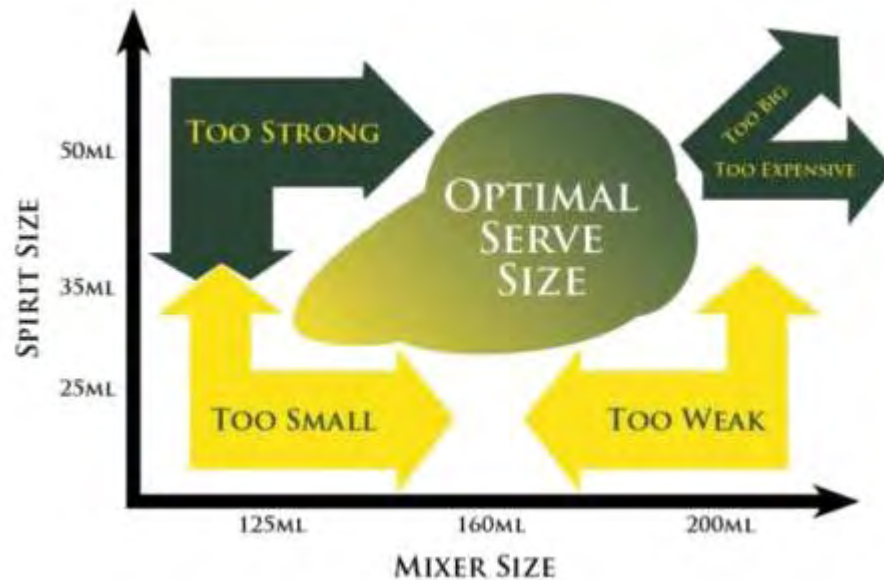
Awareness & Trial

Trial & Repeat



Mixing With Spirits Represents A Key Opportunity

Our research shows that the current offerings do not meet the needs of spirit drinkers



Account for 1 in 5 drinks served.

Spirits consumers spend 65% more than total on-trade consumers, spending £8.12 more per occasion



A New 160ml Bottle To Maximise The Opportunity



Working in partnership
with Diageo in Managed
to promote
the perfect serve





In Summary

Choice

A range and innovation plan to meet consumer needs



Quality

We have unique offerings in the market, such as Pepsi Xtra Cold



Experience

Working with the trade to deliver the perfect serve



Visibility

Providing both packaging and point of sale to drive sales





Brand Activity 2010

Jonathan Gatward
&
Simon Stewart





A Year Of Compelling Consumer Engagement

CORE
CARBONATES

Jonathan Gatward
Pepsi and Tango

CORE
STILLS

Simon Stewart
Robinsons, J₂O and Fruit Shoot





A Design Refresh For 2010

2009



2010





Driving The New Brand Identity At Every Opportunity



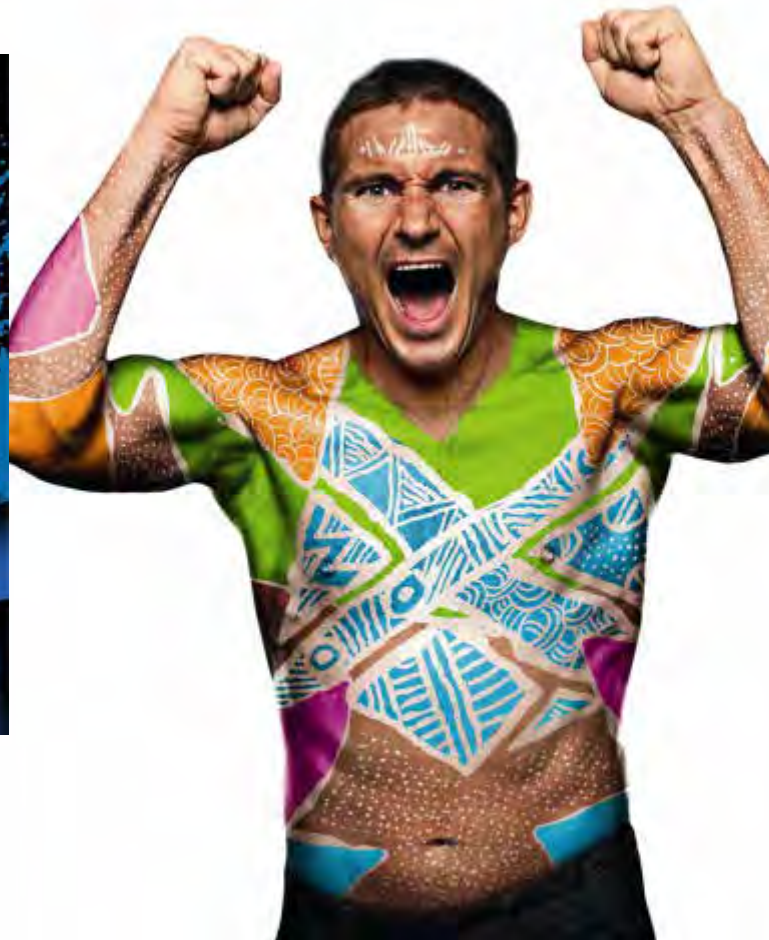
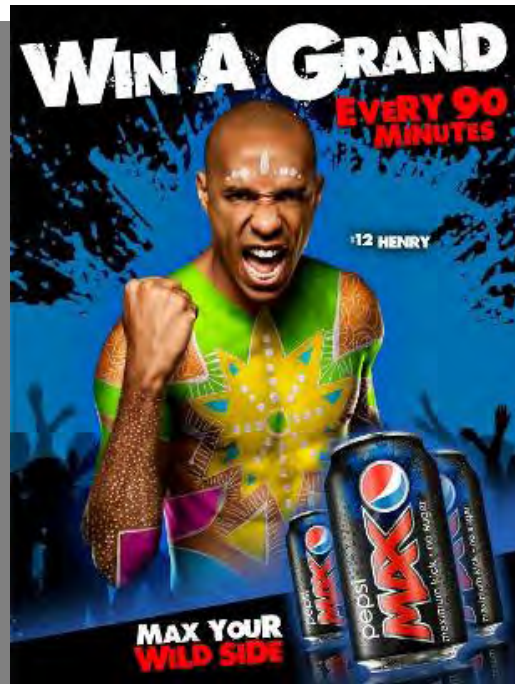
April 2010
The Pepsi take on....

FOOTBALL
2010





Football – The Pepsi Way





Engaging Consumers With Great On-Pack Activity



The “Must-Have” Gadget Of 2010



Brought To You By Pepsi





Tango Continues To Be Disruptive In 2010





A Year Of Compelling Consumer Engagement

CORE
CARBONATES

*Jonathan Gatward
Pepsi and Tango*

CORE
STILLS

*Simon Stewart
Robinsons, J₂O and Fruit Shoot*





A Contemporary New Design For 2010

2009



2010



Robinsons And Nintendo, At The Heart Of 2010-Family Life



Wii™





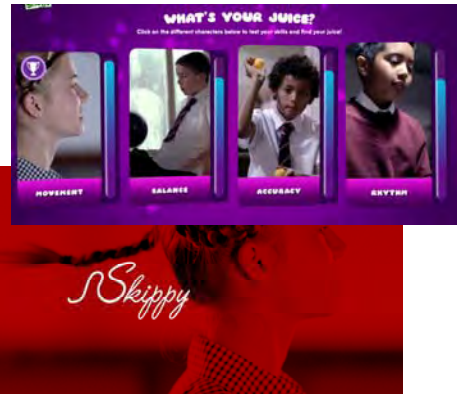
A Summer Of Consumer Interaction





Fruit Shoot Kids 2010 360° Activation In **SCALE** Skills Participation

TV & online



On pack



In outlet



Activity Magazine
in Licensed

Wall Chart gift with
purchase in C&I

In the
community



Events at key FS&L locations

125



britvic • investor and analyst seminar 2010



J₂O Takes The Pub Quiz To A New Level





Bringing Fresh Ideas to Engage Consumers



The 2010 Innovation Programme

New Brands



Brand Extensions



Pack & Experience





A Comprehensive Brand-Equity Programme





Paul Moody

Chief Executive





Driving EBIT Margin

Supporting *the growth agenda*

Enhancing *the earnings momentum*

Reducing *complexity*

A World-Class Model *to replicate*





Category Leadership and 2010 Innovation

The Market *will continue to grow*

Compelling Insight
meets consumer needs

Innovation *drives ARP & margin growth*





Winning In Trade

Huge Opportunities *in On-The-Go*

Taking Share *across all Grocery formats*

Growing *the Licensed category*





Brand Activity 2010

A Big Year *for Pepsi and Robinsons*

Resonating *with consumers*

Building Brand Equity *is what we do*





In Summary

Confidence *In The Raised EBIT Margin*

Long-term Growth *For The Market*

Big Distribution And Mix
Opportunities Across All Channels

Competitive Advantages
Driving The Top Line





Q&A

